

## FAQ'S FOR BUSINESS LICENSES

You have inquired about a business license for the City of Seal Beach. This will answer some of the most frequently asked questions...

1. ***What exactly is a business license?***

A business license is an annual tax for doing business within the City of Seal Beach. It is required BEFORE any trade, profession, occupation or any business activity of any kind is conducted within the boundaries of the City.

2. ***Do I need a business license?***

ANY BUSINESS having activity, work, sales or services performed in the City of Seal Beach, is REQUIRED to obtain a business license.

3. ***I am a senior citizen or disabled, is there a reduced business license rate for me?***

A reduced business license rate of \$59.00 per year is available to disabled persons or seniors (over the age of 65), engaged in a home occupation, with an annual gross business income (before expenses) of less than \$10,000 as verified by submittal of the most recent tax return (schedule C) to substantiate the annual business income earned as well as a letter from a licensed physician certifying to the disabled status for those persons with disabilities.

4. ***I make a few crafts and sell them...***

***I am an artist; I work out of my home...***

***I have a full-time job, but moonlight as a consultant...***

***I just do house cleaning for other people a couple days a week... Do I need a license?***

YES, whenever you make something, provide a service or give advice (consulting) for which you receive compensation in the form of money, goods or services you are in business and are required to obtain a license.

5. ***Is a post office box a legal address for my business?***

No, you must provide a physical address of your business in order to obtain a license. Although, you can use a post office box for your mailing address. However, for those businesses that are located outside the city but relay a Seal Beach post office box as their business location to others, those businesses are subject to the city business license tax.

6. ***I am a caregiver in Leisure World; do I need a license?***

Yes, all caregivers are required to have a business license (whether you are working specifically in Leisure World or not). If you receive nothing or a 1099 at year end to report taxable earnings you are required to get a business license. If your employer issues a W-2 at year end to report taxable earnings you are *not* required to get a business license. The agency who employs you is responsible for obtaining a business license.

7. ***IF YOU ARE A CALIFORNIA STATE CONTRACTOR\*, PLEASE FILL OUT THE CONTRACTOR BUSINESS LICENSE APPLICATION.*** All city contracting licenses are handled by the Building Department, second floor, of Seal Beach City Hall.

\*If your trade requires a California State Contractor's License, but you are exempted, you must sign an affidavit stating the reason why you are exempted. If approved, your application will be processed through the Finance Department. An example would be: a gardener that receives no more than \$500.00 per job including material and labor.